DIGEST

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Appel SB No. 222

<u>Present law</u> prohibits certain acts of automobile manufacturers, distributors, wholesalers, distributer branches, factory branches, converters, officers, agents, or other representatives.

<u>Proposed law</u> provides for additional unauthorized acts, including any attempt to induce, force, coerce or require, or to induce, force, coerce or require any motor vehicle dealer or licensee to enter into or amend any real estate agreement with a manufacturer, distributor, wholesaler, distributor branch or factory branch, agent, representative, subsidiary, affiliate, entity or relation thereof for the purpose of using or threatening to use their position as, or their relationship with, a landlord to a licensee in an effort to force the termination or relocation, or otherwise adversely affect the franchise of the licensee, or unreasonably causing the rent to be greater than the fair market rent for the restricted use as a particular franchised dealership or to unfairly influence the relationship between the licensee and its landlord.

Effective August 15, 2010.

(Adds R.S. 32:1261(1)(x))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs to the original bill.

1. Changed provision enumerating certain unauthorized acts in which automobile manufacturers, distributors, wholesalers, distributer branches, factory branches, converters, officers, agents, or other representatives would attempt to induce, force, coerce or require, or to induce, force, coerce or require any motor vehicle dealer or licensee to enter into or amend any real estate agreement with a manufacturer, distributor, wholesaler, distributor branch or factory branch, agent, representative, subsidiary, affiliate, entity or relation thereof for the purpose of using or threatening to use their position as, or their relationship with, a landlord to a licensee in an effort to force the termination or relocation, or otherwise adversely affect the franchise of the licensee or to unreasonably cause the rent to be greater than the fair market rent for the restricted use as a particular franchised dealership or to unfairly influence the relationship between the licensee and its landlord.

Summary of Amendments Adopted by House

Committee Amendments Proposed by <u>House Committee on Commerce</u> to the <u>engrossed</u> bill.

- 1. Makes technical changes.
- 2. Restores <u>present law</u>.